

NEIFELD REF: INVE0013-1

Application/Patent No: 09/315,822

USPTO CONF. NO: 6988

File/Issue Date: 5/21/1999

Inventor: CHRISTENSEN

Title: Virtual Couponing Method and Apparatus for Use with Consumer Kiosk

Examiner/ArtUnit: 3688

ENTITY STATUS: LARGE

37 CFR 1.181 PETITION TO EXPUNGE 1/8/2010 OFFICE ACTION

I. RELIEF REQUESTED

The applicant requests:

- (1) that the Director vacate the office action dated 1/8/2010 and
- (2) that the Director instruct the examining corps to determine the extension of patent term due to delay in issuing this patent pursuant to 1.701(c)(3) to include the date from filing the notice of appeal (9/23/2005) to the date of decision reversing all rejections of claim 4 (7/30/2009).

II. MATERIAL FACTS

1. On 5/21/1999, the applicant filed this application.
2. On 9/23/2005, the applicant filed an appeal contesting the rejections of claims based upon three prior art references: Lemon USP 4,674,041; Powell USP 5,887,271; and Barnett USP 6,321,208.
3. On 7/30/2009, the Board issued a decision reversing all rejections of claim 4. The decision stated that the rejections of record were as follows:
 - 3.1 "The Examiner rejected claim 1, 4, 9, 10, 11 to 15, 16, and 24 to 27 under 35 U.S.C. **102(b) as anticipated by Lemon.**
 - 3.2 "The Examiner rejected claims 16 to 26 under 35 U.S.C. 5 102(e) as anticipated by Powell."
 - 3.3 "The Examiner rejected claims 1 to 16, 19, and 24 to 27 under 35 U.S.C. 5 **103(a) as being unpatentable over Barnett.**"
4. On 7/30/2009, claim 4 was a dependent claim.
5. On 9/28/2009, the applicant filed an amendment that formally amended claim 4 by rewriting it in independent form. The 9/28/2009 amendment also formally amended all other claims that had depended upon claim 1, so that they depended from claim 4. No new claim limitations were introduced by this amendment. No claim changes scope as a result of this amendment. The claims were merely amended so that all claims depended from the claim for which the BPAI had reversed all rejections, which was claim 4. This amendment was purely formal in nature.
6. On 1/8/2010, the examiner issued an office action rejecting all claims over prior art. The prior art evidence consisted of Barnett, USP 6321208, and Lemon USP 4674041. The office action stated the following two rejections: 6.1 "Claims 2-3,4-10,13-15 and 27 are rejected under **35 U.S.C. 103(a) as being unpatentable over Barnett et al.** (hereinafter Barnett), US Patent 6,321,208B1"; and 6.2 "Claims 4,9,10,12-15 and 27 are rejected under **35 U.S.C. 102(b) as being unpatentable over Lemon**, US Patent 4,674,041."

7. 37 CFR 1.198 states that:

§ 1.198 Reopening after a final decision of the Board of Patent Appeals and Interferences.

When a decision by the Board of Patent Appeals and Interferences on appeal has become final for judicial review, prosecution of the proceeding before the primary examiner will not be reopened or reconsidered by the primary examiner except under the provisions of § 1.114 or § 41.50 of this title without the written authority of the Director, and then only for the consideration of matters not already adjudicated, sufficient cause being shown. [49 FR 48416, Dec. 12, 1984, effective date Feb. 11, 1985; revised, 65 FR 14865, Mar. 20, 2000, effective May 29, 2000 (adopted as final, 65 FR 50092, Aug. 16, 2000); revised, 68 FR 14332, Mar. 25, 2003, effective May 1, 2003; revised, 69 FR 49959, Aug. 12, 2004, effective Sept. 13, 2004]

8. MPEP 1214.04 states in pertinent part that:

1214.04 Examiner Reversed [R-3]

A complete reversal of the examiner's rejection brings the case up for immediate action by the examiner. If the reversal does not place an application in condition for immediate allowance (e.g., the Board has entered a new ground of rejection under 37 CFR 41.50(b)), the examiner should refer to the situations outlined in MPEP § 1214.06 for appropriate guidance.

The examiner should never regard such a reversal as a challenge to make a new search to uncover other and better references. This is particularly so where the application or ex parte reexamination proceeding has meanwhile been transferred or assigned to an examiner other than the one who rejected the claims leading to the appeal. The second examiner should give full faith and credit to the prior examiner's search.

If the examiner has specific knowledge of the existence of a particular reference or references which indicate nonpatentability of any of the appealed claims as to which the examiner was reversed, he or she should submit the matter to the Technology Center (TC) Director for authorization to reopen prosecution under 37 CFR 1.198 for the purpose of entering the new rejection. See MPEP § 1002.02(c) and MPEP § 1214.07. The TC Director's approval is placed on the action reopening prosecution.

9. 37 CFR 1.198 states in pertinent part that:

37 CFR 1.198 Reopening after a final decision of the Board of Patent Appeals and Interferences.

When a decision by the Board of Patent Appeals and Interferences on appeal has become final for judicial review, prosecution of the proceeding before the primary examiner will not be reopened or reconsidered by the primary examiner except under the provisions of § 1.114 or § 41.50 of this title without the written authority of the Director, and then only for the consideration of matters not already adjudicated, sufficient cause being shown.<

Sometimes an amendment is filed after the Board's decision which does not carry into effect any recommendation made by the Board and which presents a new or amended claim or claims. In view of the fact that * prosecution is closed, the appellant is not entitled to have such amendment entered as a matter of right. However, if the amendment is submitted with a request for continued examination (RCE) under 37 CFR 1.114 and the fee set forth in 37 CFR 1.17(e), * prosecution of the application will be reopened and the amendment will be entered. See MPEP § 706.07(h), paragraph XI. Note that the RCE practice under 37 CFR 1.114 does not apply to utility or plant patent applications filed before June 8, 1995 or to design applications. See 37

CFR 1.114(d) and MPEP § 706.07(h), paragraph I. If the amendment obviously places an application in condition for allowance, regardless of whether the amendment is filed with an RCE, the primary examiner should recommend that the amendment be *>entered<, and with the concurrence of the supervisory patent examiner, the amendment will be entered. Note MPEP § 1002.02(d).

Where the amendment cannot be entered, the examiner should write to the appellant indicating that the amendment cannot be entered and stating the reason why. The refusal may not be arbitrary or capricious.

10. MPEP 1002.02(c) states in pertinent part that:

1002.02(c) Petitions and Requests Decided by the Technology Center
Directors [R-2]

1. Petitions or requests to reopen prosecution of patent applications >or to reinstate a rejection< after decision by the Board of Patent Appeals and Interferences under 37 CFR 1.198, where no court action has been filed, MPEP § 1214.04 and § 1214.07.

11. MPEP 1214.06 states in pertinent parts that:

>The practice under the situations identified in paragraphs I-III below is similar to the practice after a decision of the court outlined in MPEP § 1216.01. Examiners must be very careful that case files that come back from the Board are not overlooked because every case, except applications in which all claims stand rejected after the Board's decision, is up for action by the examiner in the event no court review has been sought. See MPEP § 1216.01 and § 1216.02 for procedure where court review is sought.<

12.119.02 Examiner Sustained in Part - Requirement of Rewriting Dependent Claims (At Least One Allowed Claim)

The Board of Patent Appeals and Interferences affirmed the rejection(s) against independent claim(s) [1], but reversed all rejections against claim(s) [2] dependent thereon. The independent claim(s) is/are cancelled by the examiner in accordance with MPEP § 1214.06. Applicant is given a ONE MONTH TIME PERIOD from the mailing date of this letter in which to present the dependent claim(s) in independent form. NO EXTENSIONS OF TIME UNDER 37 CFR 1.136(a) WILL BE GRANTED. Failure to comply will result in cancellation of the dependent claims and the application will be allowed with claim(s) [3]. Prosecution is otherwise closed.

III. REASONS WHY THE RELIEF REQUESTED SHOULD BE GRANTED

The first relief requested, having the office action dated 1/8/2010 vacated, should be granted for two fundamental reasons. First, the office action dated 1/8/2010 was ultra vires because it was not authorized by the director as required by the MPEP. Second, the office action dated 1/8/2010 was ultra vires because the rejections therein are barred by res judicata. A consequence of the office action is an inference that the appeal was unsuccessful. Such an inference would strip the applicant of the extension to patent term resulting from a successful appeal under the 1995 revisions of 35 USC 154 to provide for up to 5 years of patent term

corresponding to the length of a successful appeal. Second, the existence of that office action might result in additional loss of extension of patent term, depending on how the PTO interprets its rules, in view of the applicant's delay of more than 3 months in responding to that office action. Neither hit against the applicants patent term would be proper given that the office action is ultra vires.

First reason: The MPEP contains the Directors instructions to the examining corps, which requires authorization from a Technology Center Director to reopen prosecution after an appeal reversing the examiner. Here, the appeal reversed the examiner as to the only independent claim now present: claim 4. It is true that the applicant filed a formal amendment after the decision on appeal to place claim 4 in independent form and to correct the dependencies of the other claims so that they dependent upon claim 4 instead of claim 1. However, that amendment would have been required by the examiner pursuant to MPEP 1214.06 if the applicant had not preempted the requirement for such an amendment by filing the amendment before the examiner acted on the application. In effect, the applicant saved the examiner the work of making a MPEP 1214.06 office action requiring a formal claim amendment. To the extent that the examiner found amendment of dependent claim dependencies from claim 1 to claim 4 improper in view of the decision on appeal, the procedure the examiner should have followed is specified in 1214.04 ("Where the amendment cannot be entered, the examiner should write to the appellant indicating that the amendment cannot be entered and stating the reason why"). In any case, the examiner reopened prosecution after appeal by imposing new substantive rejections, without authorization of the Technology Center Director, which is ultra vires, beyond the authority delegate by the Director to the examiner. Accordingly, the office action dated 1/8/2010 should be vacated by the Director, as contrary to PTO policy. Any other decision would be "arbitrary and capricious" within the meaning of the Administrative Procedures Act, 5 USC 701 et seq., and therefore also subject to injunction by a district court.

Second reason: It is fundamental to our legal system that the decision of a judicial body is final, not subject to collateral attack. The policy behind that fundament is one of due process and finality and repose is judicial decisions. Failure to follow that policy undermines the judicial system

"In its simplest construct, res judicata precludes the relitigation of a claim, or cause of action, or any possible defense to the cause of action which is ended by a judgment of the court. This aspect of res judicata, known in modern parlance as 'claim preclusion', applies whether the judgment of the court is rendered after trial and imposed by the court or the judgment is entered upon the consent of the parties." *Foster v. Halco Mfg. Co.*, 947 F.2d 469, 476 (Fed. Cir. 1991) (citations omitted). [*Trex Company, Inc. v. Home Depot USA, Inc.*, Docket No. 2009-1026 (Fed. Cir. 9/8/2009).]

Also see In re Deckler:

The interference judgment conclusively determined that, as between Deckler and Grataloup, Grataloup was entitled to claim the patentable subject matter defined in the interference count. It is therefore proper, and consistent with the policies of finality and repose embodied in the doctrines of res judicata and collateral estoppel, to use that judgment as a basis for rejection of claims to the

same patentable invention. [In re Deckler, 977 F.2d 1449, 1452, 24 USPQ2d 1448, 1450 (Fed. Cir. 1992); interpolation supplied.]

While for foregoing cases are decision between private parties, there is no reason why the same theory is inapplicable to a decision on appeal. In this office action dated 1/8/2010, the examiner draws facts and inferences that must be contrary to those reached in the decision reversing the rejections of claim 4 on the same prior art. Therefore, the issuance of the office actions rejecting claim 4 over the same prior art is res judicata.

Reason why the second relief should be granted: The extension of patent term should include the date from filing the notice of appeal (9/23/2005) to the date of decision reversing all rejections of claim 4 (7/30/2009) because the all rejections of claim 4 were reversed on appeal. The PTO rules provide for this extension of patent term, however, at least the examiner appears to have not recognized that all the board decision was "final decision in favor of the applicant by the Board of Patent Appeals and Interferences" within the meaning of 1.701(c)(3) triggering an extension of patent term for the successful appeal. Accordingly, to set the record straight for the upcoming USPTO determination of patent term adjustment (which determination includes the 37 CFR 1.701 "extension of patent term" under the 1995 law version of 35 USC 154), this relief should be granted.

Truly,
/RichardNeifeld#35,299/
Richard Neifeld, Reg. No. 35,299

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Date/time code: May 7, 2010 (4:05pm)

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